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DEPARTMENT FOR EUR/AGS SIPDIS

RUEHAG/AMCONSUL HAMBURG 0238

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SUBJECT: HAMBURG ELECTIONS: CDU PONDERS COALITION OPTIONS; LEFT PARTY

TO ENTER PARLIAMENT

REF: A. A) HAMBURG 005

¶B. B) FRANKFURT 0447

**1**C. C) BERLIN 0137

1D. D) 07 HAMBURG 068 1E. E) 07 HAMBURG 065

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11. (U) SUMMARY: The Christian Democratic Union (CDU) won decisively in the Hamburg state elections February 24. However, it lost its absolute majority and will now have to form a government with either the Social Democratic Party (SPD) or the Greens. If the CDU and Greens form a coalition government, it would be the first CDU-Greens government on the state level and could possibly serve as a model for a future national coalition. The SPD gained three points over the last election four years ago but did not win enough votes to form its desired coalition with the Greens; and the liberal Free Democrats (FDP) did not overcome the five percent hurdle to enter the parliament at all. Only one of the political parties in Hamburg reached its campaign goal: the Left Party continued its successful growth in western states, entering the fourth western state parliament in less than one year. Most politicians appeared to be relieved that a political stalemate, like in Hesse, would not plague Hamburg as well. END SUMMARY.

## CDU: Ahead, But No Clear Partner

- 2 (U) The CDU preserved its position as the strongest party in this traditionally SPD city-state. Mayor Ole von Beust (CDU) will now have to choose a coalition partner from the SPD or Greens in order to build a government. He has stated that he will approach both parties; the SPD and Greens have said they are willing to talk. None of the parties, however, expect negotiations to run smoothly. An official count is not expected until February 27, but the CDU is predicted to end up with 42.6 percent (-4.6 percentage points compared to 2004; 56 parliamentary seats), the SPD with 34.1 percent (45 seats, up 3.6 percentage points), the Greens with 9.6 percent (12 seats, down 2.7 percentage points), the Left Part with 6.4 percent (eight seats), and the FDP with 4.7 percent (up 1.7 percentage points over 2004).
- 13. (SBU) Hamburg could become the first German state with a CDU-Greens (Black-Green) government. A potential Black-Green coalition in Hamburg could later be replicated at the national level (the first state-level SPD-Greens coalition took office in Hesse in 1985, followed by a red-green federal coalition in 1998). ConGen Hamburg's local contacts believe that a "grand coalition" would be the least preferable option, although the

SPD appears keen to regain its position as a ruling party in Hamburg. A feeling of fatigue with the national "grand coalition" and a fear that a local CDU-SPD government would be incapable of carrying out important reforms are palpable within the city-state.

14. (SBU) Neighboring Schleswig-Holstein's Minister President Peter Harry Carstensen (CDU), who also rules with a "grand coalition," has publicly advocated a Black-Green solution. fact, Hamburg itself has experience with Black-Green coalitions. Two of the city's districts have been governed by Black-Green coalitions for the past four years. Nevertheless, the gulf between the CDU and Greens on political issues, such as education reform, the construction of a brown coal power plant, and the dredging of the Elbe River, is much greater than that between the CDU and SPD. While both parties have the go-ahead from Berlin to negotiate, it may be very difficult for the Greens to obtain approval from their local membership for a coalition with the conservatives. An NDR poll from February 25 reported that 40 percent of Hamburg voters would prefer a "grand coalition," while only 24 percent would like to see a Black-Green government; 21 percent were in favor of a SPD-Green-Left coalition.

Left Party Draws from SPD and Fringes

15. (SBU) The all-time low voter turnout (62.2 percent) negatively affected the CDU, SPD, and Greens. The Left Party did not perform as well as had been predicted by polls, but it firmly established itself as a credible political force in another western state. With a voter base composed in great part of protest voters, about half of Left voters had voted in the past for small parties that failed to clear the 5 percent hurdle. One-quarter were previous SPD voters, and a quarter identified themselves as "unemployed." The Left Party's emergence in Hamburg is a further indication of the SPD's identity crisis.

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- 16. (SBU) SPD candidate Michael Naumann performed a remarkable political feat by pulling the party up over three points from its lowest election outcome in 2004. Despite the SPD's wish to govern Hamburg again, Naumann made it clear that under no circumstances would the SPD form a coalition with The Left or make itself dependent on "toleration" by The Left (this was an implicit rebuke to SPD National Chairman Kurt Beck, who is mulling over a "toleration" option for the SPD in Hesse). The Greens have also ruled out a coalition with the Left. On election night Naumann commented that the discussion in Hesse over an SPD-Greens coalition tolerated by the Left Party "was not helpful" for the Hamburg SPD's election outcome.
- $\underline{\mathbb{1}}$ 7. (U) This cable has been coordinated with Embassy Berlin. JOHNSON